

# Senate Study Bill 1086

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED DEPARTMENT OF  
CULTURAL AFFAIRS BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act increasing the aggregate amount of tax credits that may be  
2 approved for property rehabilitation.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 1304XD 83  
5 tw/sc:mg/5

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1 1 Section 1. Section 404A.4, subsection 4, Code 2009, is  
1 2 amended to read as follows:  
1 3 4. a. The total amount of tax credits that may be  
1 4 approved for a fiscal year under this chapter shall not exceed  
1 5 ~~ten million dollars in the fiscal year beginning July 1, 2007,~~  
~~1 6 fifteen million dollars in the fiscal year beginning July 1,~~  
~~1 7 2008, and twenty million dollars in the fiscal year beginning~~  
~~1 8 July 1, 2009, and each fiscal year thereafter fifty million~~  
1 9 dollars.

1 10 b. Of the tax credits approved for a fiscal year under  
1 11 this chapter, ten percent of the dollar amount of tax credits  
1 12 shall be allocated for purposes of new projects with qualified  
1 13 costs of five hundred thousand dollars or less, and forty  
1 14 percent of the dollar amount of tax credits shall be allocated  
1 15 for purposes of new projects located in cultural and  
1 16 entertainment districts certified pursuant to section 303.3B  
1 17 or identified in Iowa great places agreements developed  
1 18 pursuant to section 303.3C.

1 19 c. Any of the tax credits allocated for projects located  
1 20 in certified cultural and entertainment districts or  
1 21 identified in Iowa great places agreements and for projects  
1 22 with a cost of five hundred thousand dollars or less that are  
1 23 not reserved during a fiscal year shall be applied to reserved  
1 24 tax credits issued in accordance with section 404A.3 in order  
1 25 of original reservation.

1 26 d. The department of cultural affairs shall establish by  
1 27 rule the procedures for the application, review, selection,  
1 28 and awarding of certifications of completion. The departments  
1 29 of cultural affairs and revenue shall each adopt rules to  
1 30 jointly administer this subsection and shall provide by rule  
1 31 for the method to be used to determine for which fiscal year  
1 32 the tax credits are available.

1 33 e. With the exception of tax credits issued pursuant to  
1 34 contracts entered into prior to July 1, 2007, tax credits  
1 35 shall not be reserved for more than three years.

2 1 EXPLANATION

2 2 This bill relates to the total amount of tax credits that  
2 3 may be approved for property rehabilitation. These credits  
2 4 are available for the preservation of historic properties.  
2 5 Current law limits the amount of tax credits available for a  
2 6 fiscal year to \$20 million for the fiscal year beginning July  
2 7 1, 2009, and subsequent fiscal years. The bill increases the  
2 8 limit to \$50 million for the fiscal year beginning July 1,  
2 9 2009, and subsequent fiscal years.

2 10 LSB 1304XD 83

2 11 tw/sc:mg/5